

106TH CONGRESS
2D SESSION

H. R. 4601

To provide for reconciliation pursuant to section 213(c) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

IN THE HOUSE OF REPRESENTATIVES

JUNE 8, 2000

Mr. FLETCHER (for himself, Mr. ARCHER, Mr. KASICH, Mr. TOOMEY, Mr. CRANE, Mr. SHAW, Mr. HERGER, Mr. CAMP, Mr. RAMSTAD, Mr. NUSSLE, Mr. SAM JOHNSON of Texas, Ms. DUNN, Mr. PORTMAN, Mr. ENGLISH, Mr. HAYWORTH, Mr. WELLER, Mr. MCINNIS, Mr. LEWIS of Kentucky, Mr. BLUNT, Mr. KUYKENDALL, Mr. DEMINT, Mr. GREEN of Wisconsin, and Mr. CHABOT) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide for reconciliation pursuant to section 213(c) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Debt Reduction Rec-
3 onciliation Act of 2000”.

4 **SEC. 2. FINDINGS AND PURPOSE.**

5 (a) FINDINGS.—The Congress finds that—

6 (1) fiscal discipline, resulting from the Bal-
7 anced Budget Act of 1997, and strong economic
8 growth have ended decades of deficit spending and
9 have produced budget surpluses without using the
10 social security surplus;

11 (2) fiscal pressures will mount in the future as
12 the aging of the population increases budget obliga-
13 tions;

14 (3) until Congress and the President agree to
15 legislation that strengthens social security, the social
16 security surplus should be used to reduce the debt
17 held by the public;

18 (4) strengthening the Government’s fiscal posi-
19 tion through public debt reduction increases national
20 savings, promotes economic growth, reduces interest
21 costs, and is a constructive way to prepare for the
22 Government’s future budget obligations; and

23 (5) it is fiscally responsible and in the long-
24 term national economic interest to use an additional
25 portion of the nonsocial security surplus to reduce
26 the debt held by the public.

1 (b) PURPOSE.—It is the purpose of this Act to—

2 (1) reduce the debt held by the public with the
3 goal of eliminating this debt by 2013; and

4 (2) decrease the statutory limit on the public
5 debt.

6 **SEC. 3. ESTABLISHMENT OF PUBLIC DEBT REDUCTION**
7 **PAYMENT ACCOUNT.**

8 (a) IN GENERAL.—Subchapter I of chapter 31 of title
9 31, United States Code, is amended by adding at the end
10 the following new section:

11 **“§ 3114. Public debt reduction payment account**

12 “(a) There is established in the Treasury of the
13 United States an account to be known as the Public Debt
14 Reduction Payment Account (hereinafter in this section
15 referred to as the ‘account’).

16 “(b) The Secretary of the Treasury shall use amounts
17 in the account to pay at maturity, or to redeem or buy
18 before maturity, any obligation of the Government held
19 by the public and included in the public debt. Any obliga-
20 tion which is paid, redeemed, or bought with amounts
21 from the account shall be canceled and retired and may
22 not be reissued. Amounts deposited in the account are ap-
23 propriated and may only be expended to carry out this
24 section.

1 “(c) If the Congressional Budget Office estimates an
2 on-budget surplus for fiscal year 2000 in the report sub-
3 mitted pursuant to section 202(e)(2) of the Congressional
4 Budget Act of 1974 in excess of the amount of the surplus
5 set forth for that fiscal year in section 101(4) of the con-
6 current resolution on the budget for fiscal year 2001
7 (House Concurrent Resolution 290, 106th Congress), then
8 there is hereby appropriated into the account on the later
9 of the date of enactment of this Act or the date upon
10 which the Congressional Budget Office submits such re-
11 port, out of any money in the Treasury not otherwise ap-
12 propriated, for the fiscal year ending September 30, 2000,
13 an amount equal to that excess. The funds appropriated
14 to this account shall remain available until expended.

15 “(d) The appropriation made under subsection (c)
16 shall not be considered direct spending for purposes of sec-
17 tion 252 of Balanced Budget and Emergency Deficit Con-
18 trol Act of 1985.

19 “(e) Establishment of and appropriations to the ac-
20 count shall not affect trust fund transfers that may be
21 authorized under any other provision of law.

22 “(f) The Secretary of the Treasury and the Director
23 of the Office of Management and Budget shall each take
24 such actions as may be necessary to promptly carry out

1 this section in accordance with sound debt management
2 policies.

3 “(g) Reducing the debt pursuant to this section shall
4 not interfere with the debt management policies or goals
5 of the Secretary of the Treasury.”.

6 (b) CONFORMING AMENDMENT.—The chapter anal-
7 ysis for chapter 31 of title 31, United States Code, is
8 amended by inserting after the item relating to section
9 3113 the following:

“3114. Public debt reduction payment account.”.

10 **SEC. 4. REDUCTION OF STATUTORY LIMIT ON THE PUBLIC**
11 **DEBT.**

12 Section 3101(b) of title 31, United States Code, is
13 amended by inserting “minus the amount appropriated
14 into the Public Debt Reduction Payment Account pursu-
15 ant to section 3114(c)” after “\$5,950,000,000,000”.

16 **SEC. 5. OFF-BUDGET STATUS OF PUBLIC DEBT REDUCTION**
17 **PAYMENT ACCOUNT.**

18 Notwithstanding any other provision of law, the re-
19 cepts and disbursements of the Public Debt Reduction
20 Payment Account established by section 3114 of title 31,
21 United States Code, shall not be counted as new budget
22 authority, outlays, receipts, or deficit or surplus for pur-
23 poses of—

24 (1) the budget of the United States Govern-
25 ment as submitted by the President,

1 (2) the congressional budget, or

2 (3) the Balanced Budget and Emergency Def-
3 icit Control Act of 1985.

4 **SEC. 6. REMOVING PUBLIC DEBT REDUCTION PAYMENT AC-**
5 **COUNT FROM BUDGET PRONOUNCEMENTS.**

6 (a) IN GENERAL.—Any official statement issued by
7 the Office of Management and Budget, the Congressional
8 Budget Office, or any other agency or instrumentality of
9 the Federal Government of surplus or deficit totals of the
10 budget of the United States Government as submitted by
11 the President or of the surplus or deficit totals of the con-
12 gressional budget, and any description of, or reference to,
13 such totals in any official publication or material issued
14 by either of such Offices or any other such agency or in-
15 strumentality, shall exclude the outlays and receipts of the
16 Public Debt Reduction Payment Account established by
17 section 3114 of title 31, United States Code.

18 (b) SEPARATE PUBLIC DEBT REDUCTION PAYMENT
19 ACCOUNT BUDGET DOCUMENTS.—The excluded outlays
20 and receipts of the Public Debt Reduction Payment Ac-
21 count established by section 3114 of title 31, United
22 States Code, shall be submitted in separate budget docu-
23 ments.

1 **SEC. 7. REPORTS TO CONGRESS.**

2 (a) REPORTS OF THE SECRETARY OF THE TREAS-
3 URY.—(1) Within 30 days after the appropriation is de-
4 posited into the Public Debt Reduction Payment Account
5 under section 3114 of title 31, United States Code, the
6 Secretary of the Treasury shall submit a report to Con-
7 gress confirming that such account has been established
8 and the amount and date of such deposit. Such report
9 shall also include a description of the Secretary's plan for
10 using such money to reduce debt held by the public.

11 (2) Not later than October 31, 2000, and October
12 31, 2001, the Secretary of the Treasury shall submit a
13 report to Congress setting forth the amount of money de-
14 posited into the Public Debt Reduction Payment Account,
15 the amount of debt held by the public that was reduced,
16 and a description of the actual debt instruments that were
17 redeemed with such money.

18 (b) REPORT OF THE COMPTROLLER GENERAL OF
19 THE UNITED STATES.—Not later than November 15,
20 2001, the Comptroller General of the United States shall
21 submit a report to Congress verifying all of the informa-
22 tion set forth in the reports submitted under subsection
23 (a).

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